

Thereupon, after the conduct of other business not pertinent to the following, the following resolution was introduced in written form by ~~Councilmember~~ Gordon Holt and, pursuant to motion duly made by Councilmember Gayle Bunker and seconded by Councilmember David Church was adopted and approved by the following vote:

Aye: Don Dafoe
Gayle Bunker
Dave Church
Wesley J. Bloomfield

Nay: None

Absent: Rex T. Harris

Upon the completion of the meeting, the resolution was signed by the Mayor and was attested, countersigned and recorded by the City Recorder in the official records of the City. The resolution is as follows: 88-177

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DELTA, MILLARD COUNTY, UTAH, AUTHORIZING THE ISSUANCE AND SALE OF INDUSTRIAL DEVELOPMENT REVENUE REFUNDING BONDS (ZIONS BANCORPORATION PROJECT) SERIES 1988, IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$440,000; AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE OF TRUST, FINANCING AGREEMENT, ESCROW AGREEMENT, AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, the City of Delta, Millard County, Utah (the "Issuer"), a duly organized and existing municipal corporation and political subdivision of the State of Utah, is authorized by the provisions of the Utah Industrial Facilities and Development Act, Title 11, Chapter 17 of the Utah Code Annotated 1953, as amended, and the Utah Refunding Bond Act, Title 11, Chapter 27 of the Utah Code Annotated 1953, as amended (collectively, the "Acts"), to issue industrial development revenue refunding bonds to refund the Issuer's outstanding \$440,000 Industrial Development Revenue Bonds (Zions Utah Bancorporation Project) Series 1981 (the "Prior Bonds") previously issued pursuant to the Utah Industrial Facilities and Development Act for the purpose of financing the cost of certain commercial and business facilities located within the boundaries of the Issuer for use by Zions Bancorporation, a Utah corporation (the "Company"), and Zions First National Bank; and

WHEREAS, the Issuer is authorized by the provisions of the Acts to issue its industrial development revenue refunding bonds to refund the Prior Bonds in advance of their maturity in order to effectuate interest and other cost savings; and

WHEREAS, the Acts provide that revenue bonds issued thereunder shall be secured by a pledge of the revenues out of which such revenue bonds shall be payable and may be secured by a pledge of an agreement relating to a project and such other security device as may be deemed most advantageous by the Issuer; and

WHEREAS, pursuant to the provisions of the Acts, the Issuer proposes to enter into a Financing Agreement (the "Financing Agreement") with Company and an Indenture of Trust (the "Indenture") with the Trustee named therein (the "Trustee"), pursuant to which Indenture and Financing Agreement the Issuer will issue its Industrial Development Revenue Refunding Bonds (Zions Bancorporation Project) Series 1988, in an aggregate principal amount of not to exceed \$440,000 (the "Bonds"), for the purpose of refunding the Prior Bonds in advance of their maturity in order to effectuate interest cost savings; and

WHEREAS, the City Council deems it necessary and desirable to authorize the issuance and sale of the Bonds as herein provided, and the execution and delivery of the Financing Agreement, the Indenture and an Escrow Agreement (the "Escrow Agreement") between the Issuer and First Interstate Bank of Denver, as escrow agent, providing for the application of the proceeds of the Bonds to retire the Prior Bonds; and

WHEREAS, it is necessary for the Issuer to authorize the execution and delivery of other certificates, documents and papers and the performance of acts necessary or convenient in connection with the issuance and sale of the Bonds, the refunding of the Prior Bonds, and the implementation of this Resolution; and

WHEREAS, there have been presented to the City Council at this meeting the proposed forms of the Indenture, the Financing Agreement and the Escrow Agreement;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the City Council of the City of Delta, Millard County, Utah, as follows:

SECTION 1. Definitions. The following words and terms used in this Resolution shall have the following meanings herein unless the context clearly indicates a different meaning:

"Acts" means, collectively, the Utah Industrial Facilities and Development Act, Title 11, Chapter 17, Utah Code Annotated 1953, as amended, and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended.

"Financing Agreement" means the Financing Agreement between the Issuer and the Company.

"Bonds" means the Industrial Development Revenue Refunding Bonds (Zions Bancorporation Project) Series 1988, authorized to be issued by the Issuer under the Indenture pursuant to this Resolution.

"Company" means Zions Bancorporation, a Utah corporation (formerly "Zions Utah Bancorporation"), and its successors and assigns.

"Escrow Agent" means First Interstate Bank of Denver, Denver, Colorado, as escrow agent under the Escrow Agreement.

"Escrow Agreement" means the Escrow Agreement between the Issuer and the Escrow Agent providing for payment and redemption of the Prior Bonds.

"Indenture" means the Indenture of Trust between the Issuer and the Trustee.

"Issuer" means the City of Delta, Millard County, Utah, and its successors and assigns.

"Prior Bonds" means the Issuer's \$440,000 aggregate principal amount of Industrial Development Revenue Bonds (Zions Utah Bancorporation Project) Series 1981.

"Project" means the commercial and business facilities financed with proceeds of the Prior Bonds.

"Sale Resolution" means a resolution to be hereafter adopted by the City Council of the Issuer fixing the maturity date, interest rate and sale price of the Bonds and constituting approval by the City of the Bonds pursuant to Section 147(f) of the Internal Revenue Code of 1986.

"Trustee" means the Trustee named in the Indenture (as executed and delivered), and its successors and assigns.

SECTION 2. Determination. The Issuer hereby finds and determines that the issuance and sale of the Bonds for the purpose of refunding the Prior Bonds and the application of the proceeds of the Bonds to the refunding of the Prior Bonds in advance of their maturity is in the public interest and will serve and further the public purposes of the Acts.

SECTION 3. Issuance of Bonds. (a) Pursuant to the Acts, the refunding by the Issuer of the Prior Bonds in advance of their maturity and the issuance, sale and delivery of the Bonds in an aggregate principal amount of not to exceed \$440,000 are hereby authorized and approved. The Bonds shall be designated the "City of Delta, Millard County, Utah Industrial Development Revenue Refunding Bonds (Zions Bancorporation Project) Series 1988." The proceeds of the Bonds shall be loaned to the Company pursuant to the Financing Agreement to advance refund the Prior Bonds which were issued for the purpose of financing the costs of the Project.

(b) The Bonds shall be in the denominations and dated as provided in the Indenture (as executed and delivered), shall mature not later than December 1, 1989, to be fixed by the Sale Resolution, shall be subject to redemption prior to maturity as provided in the Indenture, and shall bear interest at a rate per annum not exceeding 10% to be fixed by the Sale Resolution.

(c) The Bonds shall be sold to the purchaser or purchasers to be specified in the Sale Resolution at a discount from par, equal to not more than three percent (3%) (exclusive of any original issue discount) of the principal amount of the Bonds to be fixed by the Sale Resolution and upon such other terms and conditions as shall be acceptable to the Mayor, the execution and delivery of the Bonds being conclusive evidence of his approval.

(d) The Bonds (i) shall be executed in the name of the Issuer with the manual or facsimile signature of the Mayor and attested and countersigned by the manual or facsimile signature of the City Recorder as provided in the Indenture (as executed and delivered), provided that the signature of the authorized officer of the Trustee authenticating the Bonds shall be manual, and the seal of the Issuer or a facsimile thereof shall be placed on the Bonds, (ii) shall be special, limited obligations of the Issuer and shall never constitute the debt or indebtedness of the Issuer within the meaning of any provision or limitation of the Constitution or statutes of the State of Utah and shall not constitute nor give rise to a

pecuniary liability of the Issuer or a charge against its general credit or taxing powers, and (iii) are payable from the payments made by or on behalf of the Company pursuant to the Financing Agreement, which payments are hereby pledged to the payment of the Bonds in accordance with the terms of the Indenture (as executed and delivered).

SECTION 4. Approval of Financing Agreement, Indenture and Escrow Agreement. The Financing Agreement, the Indenture and the Escrow Agreement, in substantially the forms submitted to this meeting and attached hereto as Annex A, Annex B, and Annex C, respectively, are hereby authorized and approved, and the Mayor is hereby authorized, empowered and directed to execute and deliver the Financing Agreement, the Indenture and the Escrow Agreement, on behalf of the Issuer, and the City Recorder is hereby authorized, empowered and directed to attest and countersign such execution and to affix the corporate seal of the Issuer to such instruments, all with such changes therein from the forms before this meeting (including, without limitation, such changes as may be required to provide for bond insurance, a letter of credit, a mortgage or mortgages or any other type of security for the Bonds) as are not inconsistent with this Resolution and as are approved by the Mayor, the Mayor's execution thereof to constitute conclusive evidence of such approval.

SECTION 5. Form of the Bonds. The form of the Bonds contained in the Indenture (as executed and delivered), subject to appropriate insertion and revision in order to comply with the provisions of the Indenture (as executed and delivered) is hereby approved, and when the same shall be executed on behalf of the Issuer in the manner contemplated by this Resolution, they shall represent the approved form of the Bonds of the Issuer.

SECTION 6. Arbitrage and Other Certificates. The Mayor is hereby authorized and directed to execute (a) such certificates as shall be necessary to establish that the Bonds are not "arbitrage bonds" within the meaning of Section 148(a) of the Internal Revenue Code of 1986; and (b) an Information Return for Private Activity Bond Issues (Form 8038) as required under Section 149(e) of the Internal Revenue Code of 1986, to be filed with the Internal Revenue Service.

SECTION 7. Other Actions With Respect to the Bonds. The officers and employees of the Issuer shall take all action necessary or reasonably required to carry out, give effect to, and consummate the transactions contemplated thereby and shall take all action necessary in conformity with the Acts to carry out the issuance of the Bonds and the refunding of the Prior Bonds, including, without limitation, the execution and delivery of any closing and other documents required to be delivered in connection with the sale and delivery of the Bonds. If the Mayor or the City Recorder shall be unavailable to execute the Bonds or the other documents that they are hereby authorized to execute, the same may be executed by any other member of the City Council or by any Deputy City Recorder, respectively.

SECTION 8. Publication of Notice of Bonds to be Issued. (a) In accordance with the provisions of Sections 11-17-16, 11-17-16.1 and 11-27-4 of the Acts, the City Recorder shall cause a Notice of Bonds to be Issued in substantially the form set forth in Section 10 of this Resolution to be published in The Millard County Chronicle Progress, a newspaper qualified to carry legal notices having general circulation in the Issuer and shall cause a copy of this Resolution and all documents connected with the issuance of the Bonds to be kept on file in the City Recorder's office for public examination during regular business hours until at least 30 days from and after the date of such publication. For a period of 30 days after such publication, any person in interest shall have the right to contest the legality of this Resolution or of the Bonds hereby authorized or any provisions

made for the security and payment of the Bonds. After such time, no one shall have any cause of action to contest the regularity, formality, or legality of this Resolution or the Bonds herein authorized or any provisions made for the security and payment of such Bonds for any cause whatsoever.

SECTION 9. Public Hearing. In satisfaction of the requirements of Section 147(f) of the Internal Revenue Code of 1986, a public hearing shall be held at the regular public meeting of the City Council at 7:00 p.m. on September 12, 1988 at 76 North 200 West in Delta, Utah, to provide a reasonable opportunity for interested individuals to express their views, both orally and in writing, on the proposed issuance by the Issuer of the Bonds. The City Recorder shall cause a Notice of the Public Hearing in substantially the form set forth in Section 10 to be published in The Millard County Chronicle Progress, a newspaper of general circulation available to residents of the Issuer and in which notices relative to the Issuer are consistently published, at least 14 days prior to the date set for the public hearing. At such time, the City Recorder shall also furnish a copy of such Notice of Public Hearing to each local media correspondent, newspaper, radio station or television station which has requested notification of meetings of the Municipal Council of the Issuer.

SECTION 10. Form of Notice. The Notice of Bonds to be Issued and the Notice of Public Hearing to be published in accordance with Sections 8 and 9 hereof shall be combined into a single notice and published in substantially the following form:

CITY OF DELTA, MILLARD COUNTY, UTAH

**NOTICE OF BONDS TO BE ISSUED
AND
NOTICE OF PUBLIC HEARING**

Notice of Bonds to be Issued

PUBLIC NOTICE IS HEREBY GIVEN pursuant to the provisions of Sections 11-17-16, 11-17-16.1 and 11-27-4, Utah Code Annotated 1953, as amended, that on August 15, 1988, the City Council of the City of Delta, Millard County, Utah ("City"), adopted a resolution ("Resolution") authorizing the issuance of the City's Industrial Development Revenue Refunding Bonds (Zions Bancorporation Project) Series 1988 ("Bond"). The Bonds are being issued to provide funds for the purpose of refunding an issue of the City's \$440,000 Industrial Development Revenue Bonds (Zions Utah Bancorporation Project) Series 1981 which were issued to finance the cost of certain business and commercial facilities in the City for use by Zions Bancorporation (formerly Zions Utah Bancorporation) and Zions First National Bank.

The principal users of the facilities are Zions Bancorporation, Zions First National Bank, and their successors and assigns. Portions of the facilities may be leased to other tenants from time to time. The Bonds are to be issued in an aggregate principal amount not to exceed \$440,000, shall mature not later than December 1, 1989, and shall bear interest at a rate not to exceed ten percent (10%), and are to be sold at a discount from par, expressed as a percentage of principal amount, of not to exceed three percent (3%) (exclusive of any original issue discount).

The Resolution and the other documents necessary to issue the Bonds and accomplish the refunding, consisting of an Indenture of Trust, a Financing Agreement, and an Escrow Agreement (collectively, "Financing Documents"), are on file in the office of the City Recorder of the City and are available for public inspection during regular business hours of the City for a period of at least 30 days after publication of this notice. During

such 30-day period, any person in interest shall have the right to contest the legality of the Resolution, the Financing Documents, the Bonds, or any provisions made for the security and payment of such Bonds. After such time, no one shall have any cause of action to contest the regularity, formality, or legality of such Resolution, the Financing Documents, or the Bonds or any provisions made for the security and payment of the Bonds for any cause whatsoever.

Notice of Public Hearing

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of the City of Delta, Millard County, Utah ("City"), will hold and conduct a public hearing ~~at the regular meeting~~ of the City Council at ~~7:00~~ ^{6:30} p.m. on September 12, 1988, at the regular meeting place of the City Council at 76 North 200 West, Delta, Utah.

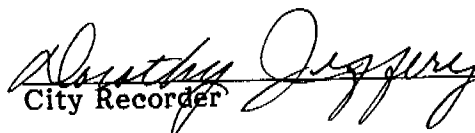
The purpose of the hearing is to provide a reasonable opportunity for interested individuals to express their views, both orally and in writing, on the proposed issuance by the City of its Industrial Development Revenue Refunding Bonds (Zions Bancorporation Project) Series 1988 ("Bonds") to refund all of the City's \$440,000 Industrial Development Revenue Bonds (Zions Utah Bancorporation Project) Series 1981 previously issued to provide funds to finance the costs of certain business and commercial facilities used primarily as banking facilities for Zions Bancorporation (formerly Zions Utah Bancorporation) and Zions First National Bank. Such facilities consist of an approximately 3,000 square foot building located at 20 East Main Street, Delta, Utah, and are owned by Zions Bancorporation. All or a portion of such facilities will be leased by Zions Bancorporation to Zions First National Bank. The maximum aggregate face amount of Bonds proposed to be issued by the City is \$440,000.

At the time and place fixed for the public hearing, all interested persons will be given an opportunity to express their views orally or in writing on the proposed issuance of the Bonds by the City and on the refunding to be accomplished from the proceeds of the Bonds as described above.

Subsequent to the hearing and in satisfaction of the requirements of Section 147(f) of the Internal Revenue Code of 1986, the City Council will take action on the approval of the issuance of the Bonds by the City.

Written comments may also be submitted to the City Council at its office located at 76 North 200 West, Delta, Utah, until the conclusion of said hearing. Additional information can be obtained from the City.

Dated: August 15, 1988.


City Recorder

SECTION 11. Limitations on Liability. Nothing contained in this Resolution nor in the Bonds, the Financing Agreement, or the Indenture, nor any other instrument, shall be construed with respect to the Issuer as incurring a pecuniary liability or charge upon the general credit of the Issuer or against its general credit or taxing power, nor shall the breach of any agreement contained in this Resolution, the Bonds, the Financing Agreement, the Indenture, or any other instrument or document executed in connection therewith impose any pecuniary liability upon the Issuer or any charge upon its general credit or against its taxing power, the Issuer having no power to pay out of its general funds, or

otherwise contribute any part of the costs of financing the Project, refunding the Prior Bonds, or paying the Bonds, nor any power to operate the Project as a business.

SECTION 12. Statutory Pledge. In consideration of the purchase of the Bonds by the holders thereof from time to time, the obligations and undertakings of the Company under the Financing Agreement, and the obligations and undertakings of the purchasers of the Bonds, and in accordance with the provisions of Section 11-17-13 of the Acts, the Issuer acting for and on behalf of the State of Utah, does hereby pledge to and agree with the holders of the Bonds, the Company, and such purchasers that the State of Utah will not alter, impair or limit the rights vested in the holders of the Bonds, the Company, and such purchasers until the Bonds, together with applicable interest, are fully met and discharged and the Financing Agreement is fully performed.


SECTION 13. Resolution Irrepealable. After the Bonds are issued and delivered to their purchasers, this Resolution shall be and remain irrepealable until the Bonds and the interest thereon shall have been fully paid.

SECTION 14. Severability. If any section, paragraph, clause, or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

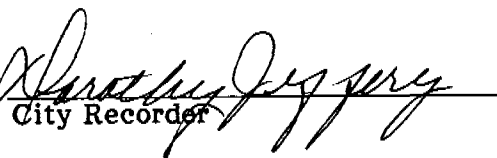
SECTION 15. Effective Date. This Resolution shall be effective immediately upon its approval and adoption.

ADOPTED AND APPROVED by the City Council of the City of Delta, Millard County, Utah, this 15th day of August, 1988.

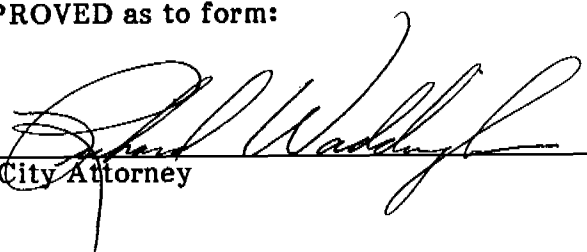
CITY OF DELTA, MILLARD COUNTY, UTAH

By 
Mayor

ATTEST AND COUNTERSIGN:

By 
City Recorder

APPROVED as to form:

By 
City Attorney